ASX Announcement

21 July 2026

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BMC Receives Water and Exploration Licences, Strengthening KZK Project Development Pathway

Highlights

Water Licencing:

- The Yukon Water Board has issued a Type B Water Licence to BMC in relation to the proposed ABM Mine at its KZK Project in the Yukon, Canada.
- The Type B Water Licence is valid for 25 years and allows the extraction/use of potable water and disposal of wastewater from Camp and offices during construction, operation, reclamation, and final closure of the project.
- The licence helps further de-risk the KZK Project and is an important step on the critical path towards a Final Investment Decision.
- BMC has also applied to the Yukon Water Board for a Type A Water Licence which covers water use for all mining and processing related activities.

Exploration Licencing:

- Yukon Government's Department of Energy, Mines and Resources has issued a five-year Class 3 Quartz Mining Land Use Approval to BMC for continued exploration activities over its KZK mineral tenure.
- The Approval allows for continued exploration drilling which will be aimed at expanding the existing resource base, following up high grade intercepts and testing of additional multi-component exploration targets near proposed ABM Mine.
- The Approval also allows for continued ground-based and airborne geophysics (gravity, UAV magnetics) and surface geochemical surveys over prospective areas aimed at generating additional multi-component targets.

BMC Minerals Ltd (ASX:BMC) (**BMC** or the **Company**) is pleased to announce receipt of a Type B Water Licence, approving potable water use and wastewater disposal for Camp and offices in relation to the development of the ABM Mine. BMC also announces the receipt of a Class 3 Quartz Mining Land Use Approval for continued exploration activities at the Company's100%-owned Kudz Ze Kayah Project (KZK Project) in the Yukon, Canada.

The Type B Water Licence was issued by the Yukon Water Board (**YWB**), the sole regulator of the use of water and deposit of wastewater in the Yukon. The YWB is an independent administrative tribunal established under the *Yukon Waters Act* with statutory obligations under the Umbrella Final Agreement and the Yukon Environmental and Socio-economic Assessment Act.

The Class 3 Quartz Mining Land Use Approval for continued exploration activities at KZK was issued by the Yukon Government's Department of Energy, Mines and Resources (**EMR**). The Approval allows for continued exploration drilling of up to 120,000 meters from up to 400 sites and ground-based and airborne geophysics and surface geochemical surveys for five years over BMC's KZK mineral tenure.

Following receipt of the Type B Water and Class 3 Exploration Licences, BMC continues to build permitting momentum across the KZK Project. The Company is systematically advancing the remaining major

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regulatory approvals, including the Type A Water Licence, Quartz Mining Licence and Fisheries Authorization, as well as numerous ancillary permits.

Advancement of these approvals represents a significant step in reducing development risk, enhancing project certainty and positioning the KZK Project for the next phase of development.

Commenting on the receipt of key permitting approvals, Managing Director and CEO, Michael McClelland said: *"We are pleased to announce the receipt of the Type B Water Licence and Class 3 Exploration Approval, which are important milestones for BMC and a further demonstration of our team's ability to execute on strategy and deliver on our stated objectives at our KZK Project. Importantly, these approvals meaningfully de-risk the development pathway at KZK and represent an important step on the critical path towards a Final Investment Decision.*

"The Exploration Approval also allows us to continue advancing high-priority targets across the KZK tenure, with a focus on expanding the resource base, following up on high-grade intercepts and testing additional targets — all aimed at growing the project in size, scale, and Life of Mine.

"We have strong permitting momentum and look forward to advancing the remaining key approvals as we build towards the next phase of development at KZK."

Kudz Ze Kayah (KZK) Project [1]

BMC wholly owns the KZK Project, an advanced polymetallic development project comprised of 372km^2 of under-explored, highly prospective tenure located in Canada's Yukon territory, approximately 260km east of Whitehorse, the largest city in Northern Canada.



The KZK Project hosts the ABM deposit and the copper-rich Kona deposit. Since acquiring the project in 2015, BMC has delineated significant Mineral Resources at both deposits.

A range of technical studies has been completed by BMC at ABM based on the development of a nominal 2 million tonnes per annum mine, which contemplates that ~89% of Mineral (Ore) Reserves will be mined via open pit and an underground mine that will be developed to access the deeper portions of the Krakatoa Zone.

The Company's 2023 Economic update to the Feasibility Study has outlined a pre-tax NPV$_{7\%}$ of US$835 million for the ABM Mine at silver, gold and copper prices which are lower than the current long-term consensus and spot prices, with a capital payback period of ~2 years.

Annual production over the initial nine-year project life (based on Mineral (Ore) Reserves only) is expected to average 32.2Moz AgEq[1,3] with All-In Sustaining Costs (**AISC**) of less than US$12/oz (**AgEq**).[2]

The mine will produce three concentrates – high precious metals (**HPM**), copper and zinc.

BMC has secured binding offtake agreements with high quality partners for 95% of the first five years of production, across all three concentrate products (Copper, HPM, Zinc). Initial construction capital expenditure was estimated at US$492 million in the 2023 Economic Update to the Feasibility Study.

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[1] This release contains the following non-IFRS terms: "NPV", "payback period", "All-In-Sustaining Costs" and "initial construction capital expenditure". Refer to page 5 for further details of non-IFRS terms.
Dollar amounts in this document labelled "$" or US$" refer to United States Dollars. A$ refers to Australian Dollars. C$ refers to Canadian dollars.
[2] Average annual production at steady state (excluding first (commissioning) and last (closure) years).
[3] Refer to page 6 for further details of the Metal Equivalent Calculation.

Mineral (Ore) Reserves	Classification	Tonnes Mt	Ag g/t	Au g/t	Zn %	Cu %	Pb %
ABM Zone	Probable	13.4	131	1.3	5.9	0.9	1.5
Krakatoa Zone	Probable	0.6	246	1.9	6.3	0.4	3.1
Total Open Pit		**14.0**	**136**	**1.3**	**5.9**	**0.9**	**1.6**
Krakatoa Underground	Probable	1.7	147	1.3	5.0	0.4	2.3
Total Reserves	Probable	**15.7**	**138**	**1.3**	**5.8**	**0.9**	**1.7**

Mineral Resources	Classification	Tonnes Mt	Ag g/t	Au g/t	Zn %	Cu %	Pb %
ABM Deposit[1] (ABM Zone and Krakatoa Zone)	Indicated	18.3	148	1.4	6.3	0.9	1.9
	Inferred	0.8	143	1.2	7.2	1.0	1.7
Total ABM		**19.1**	**148**	**1.4**	**6.3**	**0.9**	**1.9**
Kona Deposit	Indicated	2.1	4	0.8	-	1.6	-
	Inferred	6.7	4	0.6	-	1.7	-
Total Kona		**8.8**	**4**	**0.7**	**-**	**1.7**	**-**

1. Indicated Mineral Resources for the ABM Deposit are inclusive of Mineral (Ore) Reserves

ENDS

Approved by the Board of Directors.

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Mineral Resources, Ore Reserves, Production Targets and Forecast Financial Information

JORC Disclosure

The information in this announcement which relates to previously announced estimates of Mineral Resources, Ore (Mineral) Reserves, production targets and forecast financial information derived from a production target (Forecast Financial Information) was first released by the Company in its IPO Prospectus (specifically the Technical Assessment Report in Annexure C) a copy of which was first released to the ASX platform on 10 December 2025. The Company confirms that it is not aware of any new information or data that materially affects the information contained in the Prospectus and, in the case of the estimates of Mineral Resources, Ore (Mineral) Reserves, production targets and Forecast Financial Information that all material assumptions (and in the case of the estimates of Mineral Resources and Ore Reserves the technical parameters) underpinning the estimates of Mineral Resources, Ore (Mineral) Reserves, production targets and Forecast Financial Information in the Prospectus continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Prospectus.

NI 43-101 Disclosure

The information in this announcement that relates to Mineral Resources, Mineral (Ore) Reserves or technical assessment of mineral assets has been reviewed by Dr. Neil Martin, a Qualified Person as defined under National Instrument 43-101 (**NI 43-101**). Dr. Martin, a member of the Australian Institute of Geoscientist (AIG) and Senior Vice President, Exploration and Development of BMC, has reviewed and approved the scientific and technical information in this announcement.

Information regarding the quality assurance program, quality control measures and data verification measures, as well as the effective date of each estimate of Mineral Resources and Mineral (Ore) Reserves, including the key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral (Ore) Reserves, related to the KZK Project in this announcement and the Qualified Persons' opinion on such measures applied in relation to the KZK Project, can be found in the technical report for the Kudz Ze Kayah Property titled "Kudz Ze Kayah Property Yukon, Canada, NI 43-101 Technical Report" with an effective date of March 1, 2025, and in the technical report for the Kona Property titled "Kona Project Yukon, Canada, NI 43-101 Technical Report" with an effective date of January 30, 2026, both of which were prepared for BMC and are available on its SEDAR+ profile at www.sedarplus.ca (the **Technical Reports**).. All technical information contained in this announcement is qualified in its entirety by reference to the complete Technical Report.

Mineral Resource and Mineral (Ore) Reserve estimates contained in this announcement were completed in accordance with both the 2012 edition of the JORC Code and CIM Definition Standards on Mineral Resources and Reserves established by the Canadian Institute of Mining, Metallurgy and Petroleum (**CIM Definition Standards**). The Company believes that the resource classifications applied to its assets under the JORC Code and under the CIM Definition Standards are not materially different, however the full process required to reconcile the Mineral Resources and Mineral (Ore) Reserves presented in accordance with JORC to the CIM Definition Standards has not been undertaken.

Canadian readers are advised that Mineral Resources that are not Mineral Reserves under the CIM Definition Standards do not have demonstrated economic viability and their future classification as Mineral Reserves is uncertain. There is no assurance that actual and potential exploration activities described in this announcement will result in the delineation of Mineral Reserves. Furthermore, under NI 43-101, it is not permitted to aggregate inferred Mineral Resources with other Mineral Resource categories. When this is done in this announcement the aggregated number should be disregarded and reference should be made only to the individual resource categories set forth herein.

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Forward Looking Statements

This announcement contains “forward-looking statements” and “forward-looking information”, including statements and forecasts which include (without limitation) expectations regarding the financial position of BMC, production targets, industry growth and other trend projections, statements about the feasibility of the ABM Mine Project and its financial outcomes, future strategies, results and outlook of BMC and the opportunities available to BMC. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “outlook”, “scheduled”, "target", “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgments of BMC regarding future events and results. Recipients are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, targets, performance or achievements of BMC to be materially different from any future results, targets, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements. There can be no assurance that forward-looking statements will prove to be correct. None of the Company, its directors, employees, agents or advisers represent or warrant that such forward-looking statements and forward-looking information will be achieved or prove to be correct or give any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any forward-looking statement or forward-looking information contained in this announcement. BMC does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws. Recipients should note that there is no certainty that BMC’s ABM Mine Project will be developed and commence operations, that the results contained in the Feasibility Study will be accurate or that BMC will be able to raise funding when it is required (nor any certainty as to the form such capital raising may take, such as equity, debt, hybrid or other capital raising). It is also possible that such funding may only be available on terms that dilute or otherwise affect the value of BMC’s securities. It is also possible that BMC could pursue other ‘value realisation’ strategies such as sale, partial sale, or joint venture of the proposed ABM Mine Project.

Incorporation: BMC is a Canadian entity incorporated in the Province of British Columbia, Canada. The Company is registered in Australia as a foreign company, but it is not incorporated in Australia. Consequently, BMC's general corporate activities (apart from any offering of securities in Australia and certain other matters) are not generally regulated by the *Corporations Act 2001* (Cth) or by the Australian Securities and Investments Commission but are instead governed by the Articles of the Company and the laws of British Columbia, specifically the *Business Corporations Act* (British Columbia) (**BCBCA**). Under the BCBCA, the charter documents of the Company consist of the “Notice of Articles”, which sets forth the name of the Company and the amount and type of authorised capital, and the “Articles” which govern the operation of the Company. Together these are the equivalent of the constitution of an Australian corporation. The rights and liabilities attaching to shares in the Company are governed by the Articles and the BCBCA. If you would like a copy of the Articles of the Company, please contact the Company.

Benefit of disclaimers: To the extent permitted by law, the disclaimers and other provisions above are for the benefit of, and may be relied upon by, BMC.

Non-IFRS Terms

BMC uses certain financial measures to assess how the ABM Mine Project is projected to perform and to plan and to assess the overall effectiveness and efficiency of the potential future mining and processing operation and believes that this information is useful for investors. These financial measures (collectively referred to as **Non-IFRS Financial Measures**) are not recognised under International Financial Reporting Standards (**IFRS**). Although BMC believes these non-IFRS financial measures provide useful information to investors, investors are cautioned not to place undue reliance on any non-IFRS Financial Measures. Unless otherwise specified those Non-IFRS Financial Measures have not been subject to audit or review in accordance with IFRS.

These Non-IFRS Financial Measures include:

AISC or All-In Sustaining Costs: includes Net Direct Cash Cost (C1) cash costs as defined below, plus exploration costs at the Project and sustaining capital expenditures (including progressive expansion of waste storage facilities, permitting and customary improvements to the operations over the life of the project). AISC is divided by the number of pounds of zinc or ounces of silver produced in concentrate, estimated to be produced for the period to arrive at AISC per zinc pound or silver ounce produced.

C1 Cash Cost: Net Direct Cash Cost (C1) represents the cash cost incurred at each processing stage, from mining through to recoverable metal delivered to market, less net by-product credits (if any) divided by the number of pounds of zinc or ounces of silver produced in concentrate, estimated to be produced for the period to arrive at C1 Cash Cost per zinc pound or silver ounce produced.

Direct Cash Cost covers:

• Mining and processing costs;

• Mine-site administration and general expenses; and

• Concentrate freight, treatment and refining and other selling costs

Discount rate: A discount rate is the rate of return used to discount future cash flows back to their present value. This rate is often a company’s Weighted Average Cost of Capital (WACC), required rate of return, or the hurdle rate investors expect to earn relative to the risk of the investment. The discount rated used by the Company is 7% for all of its economics studies.

Equivalent Metal Grade: ∑((relevant metal content per tonne x relevant metal price) for each metal in the Ore Reserve) divided by the metal price for the metal for which equivalency calculated.

Free Cash Flow: the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.

Gross Revenue: Revenue from sale of mineral concentrates, being the sum of the quantity of each payable metal multiplied by the sale price for each metal, prior to any deductions related to the sale of concentrates.

IRR: The Internal Rate of Return, is the discount rate that makes the net present value (NPV) of a project zero. In other words, it is the expected compound annual rate of return that will be earned on a project or investment. The IRR formula is as follows:

$$0 = CF_0 + \frac{CF_1}{(1 + IRR)} + \frac{CF_2}{(1 + IRR)^2} + \frac{CF_3}{(1 + IRR)^3} + \cdots + \frac{CF_n}{(1 + IRR)^n}$$

Where: CF0 = Initial Investment / Outlay, CF1, CF2, CF3 …. CFn = Cash Flows, n = Period Number, IRR = Internal Rate of Return.

Net Revenue: Gross Revenue less the costs and charges incurred in selling and delivering the concentrate to market once concentrate departs the mine site. It includes deductions for road and sea freight, freight insurance, concentrate treatment and refining charges and concentrate penalty costs.

NPV: Net Present Value, is the value of all future cash flows (positive and negative) over the entire life of an investment discounted to the present. NPV analysis is a form of intrinsic valuation and is used extensively across finance and accounting for determining the value of a business, investment security, capital project, new venture, cost reduction program, and anything that involves cash flow. The cash flows are "real" numbers (not nominal). The NPV formula is as follows:

$$\mathrm{NPV} = \sum_{t=1}^{n} \frac{R_t}{(1 + i)^t}$$

Where: R = net cash inflow-outflows during a single period t, i = discount rate or return that could be earned in alternative investments, t = time of cash flow, n = number of time periods.

Payback Period: The Payback Period shows how long it takes for a business to recoup its investment. This type of analysis allows firms to compare alternative investment opportunities and decide on a project that returns its investment in the shortest time, if that criterion is important to them.

Pre-production Capital: Capital expenditure including capitalised development costs incurred to build the ABM Mine Project prior to commencement of production.

Sustaining Capital: The continuous and ongoing investment of capital necessary to maintain steady state operations at the ABM Mine Project after it has reached nameplate production.

Total Capital: Pre-production capital plus sustaining capital.

Metal Production Equivalents

To assist in comprehension of the significance of the concentrate production from the ABM Mine Project, the Company considers that expressing the total concentrates production in terms of a single metal equivalent may be of assistance.

In the Company's opinion, all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold, as supported by Feasibility Study-level metallurgical testwork and executed offtake agreements informing payability and processing charges.

The basis for the selection of silver as the chosen equivalent metal is based on the net revenue likely to be derived from each metal in the ABM Deposit. Silver is the primary contributor to revenue. Zinc, along with copper and lead are more heavily affected by metal payabilities and concentrate treatment charges.

In 2023 terms, silver contributed 30.5% of the net revenue from the Ore Reserve estimate, with zinc contributing 30.4%. However, considering the price escalation reflected in more current pricing, as at the date of the Prospectus, silver's contribution to net revenue was 33.0% and zinc had fallen to 21.2%.

Metal production equivalent is the sum of the value of the metal recovered into concentrate, divided by the price of the metal being used for metal equivalent reporting.

As the calculation is for metal production equivalents, the Company has used the forecast recovered mass of metal in concentrates in calculations.

Processing recoveries have inherently been incorporated in the calculation as it is based on metal recovered into concentrate at the processing plant. Average life of mine processing recoveries that have been incorporated into the metal production in concentrates are detailed in the table below.

ABM Mine average LOM processing recoveries

Concentrate	Copper	Lead	Zinc	Gold	Silver
Copper	73.8%	-	-	27.3%	36.8%
HPM	-	73.5%	-	29.4%	38.2%
Zinc	-	-	85.9%	8.1%	11.0%
Total	73.8%	73.5%	85.9%	64.8%	86.0%

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Feasibility Study long term consensus metal prices have been used for all calculations: Ag US$22.60/oz, Au US$1,700/oz, Zn US$1.20/lb, Cu US$3.80/lb, Pb US$0.95/lb.

The metal grade equivalent formula (for physical production and costs) is as follows:

*AgEq (oz) = (Sum of Ag recovered to Cu, HPM and Zn concentrates (oz Ag) * Ag price (US$/oz) + Sum of Au recovered to Cu, HPM and Zn concentrates (oz Au) * Au price (US$/oz) + Zn recovered to Zn concentrate (t Zn) * Zn price (US$/t) + Cu recovered to Cu concentrate (t Cu) * Cu price (US$/t) + Pb recovered to HPM concentrate (t Pb) * Pb price (US$/t)) / Ag price (US$/oz).*

In the Company's opinion, all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold, as supported by feasibility metallurgical test work and executed offtake agreements.

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